

NEW APPLICATION



0000105030

ORIGINAL
CERBAT WATER COMPANY
2409 RICCA DR, KINGMAN, AZ. 86401

RECEIVED

2009 NOV -9 A 11: 07

November 2, 2009

Arizona Corporation Commission
Utilities Division
Accounting and Rates Section
1200 West Washington
Phoenix AZ 85007

AZ CORP COMMISSION
DOCKET CONTROL

Re: Emergency Rate Relief for Cerbat Water Company, Inc.

W-02391A-09-0516

Dear Commissioners,

This letter is to serve as a formal request for emergency rate relief for Cerbat Water Company. Cerbat Water has not had a rate increase since June 1, 2002 and has operated at a loss since. Compiling this negative income, the water company experienced a major mechanical failure in the water system on October 26, 2009 resulting in repair cost that the company cannot absorb and a stage 4 water curtailment.

It is the intent of Cerbat Water Company first and foremost to do everything it can to supply water to its customers while the repairs are being completed, and install a backup system to prevent this situation from happening in the future.

The emergency funds needed are to cover the costs of repairing the failed pump motor which supplies water to all of Cerbat's customers, to implement the emergency backup plan with the City of Kingman, and installing a backup pump to prevent this stage 4 scenario from repeating itself.

The Backup Plan for Cerbat Water Company is to purchase temporary water from the City Of Kingman which requires a minimum of a \$10,000 deposit to be paid to the city prior to any water usage (SEE ATTACHED CITY OF KINGMAN RESOLUTION NO. 4593 AND WATER SERVICE AGREEMENT)

The breakdown of the aforementioned costs are as follows:

- | | |
|---|------------------|
| 1) Repair of pump motor (SEE ATTACHED) | \$71,500 |
| 2) Water purchase from the city of Kingman (SEE ATTACHED) | \$37,200 |
| 3) Purchase, installation and drilling a backup electric well and pump (SEE ATTACHED) | \$48,940 |
| | +\$30,134 |

TOTAL APPLICATION REQUEST

\$187,774

Arizona Corporation Commission
DOCKETED

NOV -9 2009

DOCKETED BY

nr

We thank you in advance for your assistance and respectfully request the commission do whatever it can to expedite this request as time is of the essence.

Sincerely,

A handwritten signature in black ink, appearing to read "B. Marc Neal". The signature is fluid and cursive, with the first letter of the first name being a large, stylized capital 'B'.

B. Marc Neal
President-Cerbat Water Company

Regular Meeting
Kingman City Council
April 20, 2009
Page 5 of 6

the Mayor and Council to seek participants for a Complete Count Committee and return to Council for the formation of a Complete Count Committee.

b. Resolution No. 4593 – Cerbat Water Company Water Service Agreement

Cerbat Water Company AKA Claude Neal Family Trust, requested City water on an emergency basis on or about February 20, 2009 due to failure of their well. This area is outside the City's water service area thus should be covered with a wholesale agreement. Currently the rates assessed to the Cerbat Water Company are equivalent to the rates we charge other customers outside the City limits that access City water through a fill stand or hydrant meter. The proposed rate with the water service agreement would be the lowest wholesale rate. During a 30 day emergency period Cerbat Water company could need in surplus of 3.1 million gallons. Staff recommends approval, denial, or modification of proposed water service request.

c. Ordinance No. 1656 – Special Event Permit

The City Attorney's office, with the assistance, guidance, and direction from other affected departments, have reviewed, modified and renamed the City Code Parade Permit ordinance. This was done to update and streamline the permit process. The modifications will allow the process to be handled through the TrakIt system which will greatly speed up approval and improve the coordination of the event. Staff recommends the approval of Ordinance No. 1656.

d. Resolution No. 4598 – Spending of Federal Economic Renewal Grants to the City of Kingman

The economic downturn is having a critical impact on everyday Americans who are struggling to maintain or find jobs in an increasingly difficult environment. Those same Americans are the taxpayers that provide the revenue needed to operate essential government services so our taxpayer dollars should be spend to maximize the creation of American jobs and in restoring the economic vitality of our community. The City of Kingman commits to purchase only products and services that are made or performed in the United States of America whenever and wherever possible. Staff recommends the adoption of Resolution No. 4598.

8. DEPARTMENT REPORTS

Update on repairs and replacement of Public Safety Radio System equipment – Chief Osterman

9. EXECUTIVE SESSION

THE COUNCIL MAY GO INTO EXECUTIVE SESSION IN ACCORDANCE WITH A.R.S.38-431.03(A) (1) TO DISCUSS ANY AGENDA ITEM. THE FOLLOWING ITEMS MAY BE DISCUSSED, CONSIDERED AND DECISIONS MADE RELATING THERETO:

City Manager sixth month review

10. ANNOUNCEMENTS BY MAYOR, COUNCIL MEMBERS, CITY MANAGER

If needed

**MERTENS HEAVY EQUIPMENT REPAIR
AND
CUSTOM LUBE SERVICE**



4385 BAKER DRIVE
KINGMAN, AZ 86409
(928) 757-2966
FAX
(928) 757-9423



NOVEMBER 4, 2009

TO WHOM IT MAY CONCERN:
FOR NIELS FAMILY TRUST

ESTIMATE FOR A COMPLETE REBUILD OF 3406-G MOTOR INCLUDING TURBO, PISTON
& LINERS, MAIN AN ROD BEARINGS, WATER PUMP, REBUILT HEAD, REBUILT GOVERNOR ALL
RELATED PARTS INCLUDING LABOR. \$54,000.00

NEW RADIATOR \$14000.00

LABOR TO REMOVE AND
INSTALL ENGINE AND RADIATOR
40 HRS. \$ 3500.00

TOTAL COST ESTIMATE \$71,500.00

MERTENS HEAVY EQUIPMENT REPAIR
BOB MERTENS



Brown Drilling
 3375 N. Bank St.
 Kingman, AZ 86409-3605
 Office: (928) 757-1920 | (800) 448-8759
 Fax: (928) 681-4548
 info@browndrilling.com

Contractor's Lic. #s:
 AZROC238788 (K-53)
 AZROC234082 (A-04)
 NVROC0071264 (A-5)

Arizona Drillers Lic.
 #400

DRILLING ESTIMATE

Date: 11/3/09

Customer: Mike Neal
 Address: _____

Phone: 260-4788
 Alt Phone: MIKE NEAL 260 ATMSN.COM
 Email: _____

Job Site Location/Parcel #: Bank St & Calla Blanca 310-04-052

Average well depths in this area have been approximately 1000 feet. The likelihood of a PVC-cased well is ____%. The likelihood of a steel-cased well is ____%. Based on this information, the following estimate is provided.

	6 inch steel Cased	8 inch Steel Cased
Cemented Surface Seal	\$ 700.00	\$ 1250.00
Drilling	\$ 18,200.00	\$ 22,760.00
Casing Installation	\$ 16,780.00	\$ 21,680.00
Uncased / Dry Hole	0	0
Mobilization and Setup	0	0
Fuel Surcharge	\$ 400.00	\$ 800.00
Additional Labor <u>Well Development</u>	\$ 500.00	\$ 2250.00
Well Cost Subtotal:	\$ 36,620.00	\$ 48,790.00
Arizona State Tax (038025): <u>Tax Exempt!</u>		\$ Tax Exempt
ADWR Permit: <u>\$ 150.00</u>		\$ 150.00
MCHD Permit: <u>0</u>		0
Total Estimated Cost:	\$ 36,770.00	\$ 48,940.00

Thank you for giving Brown Drilling the opportunity to serve you!

The above estimate is for the probable costs for drilling a well. It does not represent an actual job quote, as the actual drilled depth and casing type will be determined at the job location. Although the likelihood of finding water does exist, there are no guarantees and it is possible the well drilled will not produce water.

These prices are valid for 30 days from the date indicated above. There is a 3% processing fee for all credit card transactions.

I have read, understand and agree to the Terms and Conditions along with the Limited Guarantee. I hereby authorize Brown Drilling to complete the above described work for which I agree to pay the amount set forth according to the terms herein.

Accepted By: Tom Kaufman
 Estimated By: _____

Date: 11/3/09
 Date: _____

SHORT ENTERPRISES LLC, dba ARTHUR'S SALES & SERVICE

883 RAILROAD AVE - P.O. BOX 1199
KINGMAN, AZ 86402
PHONE: 928 753-2548 FAX: 928 753-2047
R068 174874

SUBMERSIBLE PUMP SYSTEM CHECK LIST

[illegible]



310 N. 4th STREET
KINGMAN, AZ 86401

Phone: (928) 753-5581



33599RA30-A-1
9 X 3P 0.351

CLAUDE K NEAL
FAMILY TRUST
2409 RICCA DRIVE
KINGMAN AZ 86401-4250

ACCOUNT INFORMATION

Account Number 5746-39767
Statement Date 04/30/2009
Due Date 05/20/2009
Total Amount Due \$8,477.00
Neighbor to Neighbor Donation \$
Amount Enclosed \$

CORRECTED BILL

CITY OF KINGMAN

310 NORTH 4TH STREET
KINGMAN, AZ 86401-5817



Please Return this portion with your payment
Please keep this portion for your records

ACCOUNT INFORMATION

Account Number 5746-39767
Statement Date 04/30/2009
Service Address FIRE HYDRANT 41685847
Cycle 02-03
Due Date 05/20/2009

AMOUNT DUE

Previous Balance 14,092.88
Payments -16,843.30
Balance Forward -2,730.70
Current Charges \$11,207.70
Adjustment -4413.38
Adjustment -14736.17
Total Amount Due \$8,477.00

YOUR MONTHLY USAGE (IN THOUSANDS)

ACCOUNT ACTIVITY (IN THOUSANDS)

Meter Number	Current Reading	Previous Reading	Usage
41685847	16408500	15410700	997.80
41685847	19567200	16408500	3178.70
		Service Period	Days
	02/20/2009	03/09/2009	17
	03/09/2009	04/08/2009	30

CURRENT CHARGES

Description	Amount
WATER	0.00
SEWER	0.00
SANITATION	0.00
IRRIGATION	11207.70
SPRINKLER	0.00
WATER QUALITY TAX	0.00
CITY SALES TAX	0.00
STATE/COUNTY SALES TAX	0.00
TOTAL	\$11,207.70

CORRECTED BILL

Donation:

"Neighbor to Neighbor" is a voluntary, tax-deductible program to help local human service agencies assist Kingman Families. If you wish to contribute to the "Sarah's House" please include your donation and record it on the space provided on the payment coupon.

CITY OF KINGMAN - 310 N. 4th STREET - KINGMAN, AZ 86401



310 N. 4th STREET
KINGMAN, AZ 86401

Phone: (928) 753-5581

ACCOUNT INFORMATION

Account Number 5746-39767
Statement Date 06/17/2009
Due Date 07/07/2009
Total Amount Due \$15,220.19
Neighbor to Neighbor Donation \$
Amount Enclosed \$

"AUTO" SCH 5-DIGIT 86401 2 PSS 63600RA17-A-1
245 1 AV 0.335



CLAUDE K NEAL
FAMILY TRUST
2409 RICCA DRIVE
KINGMAN AZ 86401-4250

CITY OF KINGMAN

310 NORTH 4TH STREET
KINGMAN, AZ 86401-5817



Please Return this portion with your payment
Please keep this portion for your records

ACCOUNT INFORMATION

Account Number 5746-39767
Statement Date 06/17/2009
Service Address FIRE HYDRANT 41685847
Cycle 02-03
Due Date 07/07/2009

AMOUNT DUE

Previous Balance 13,231.24
Payments -8,480.00
Balance Forward 4,754.24
Current Charges \$10,465.95
Total Amount Due \$15,220.19

YOUR MONTHLY USAGE (IN THOUSANDS)

ACCOUNT ACTIVITY (IN THOUSANDS)

Meter Number	Current Reading	Previous Reading	Usage
41685847	25265000	21342900	3922.10
	Service Period		Days
	05/08/2009	06/09/2009	32

CURRENT CHARGES

WATER	0.00
SEWER	0.00
SANITATION	0.00
IRRIGATION	10465.95
SPRINKLER	0.00
WATER QUALITY TAX	0.00
CITY SALES TAX	0.00
STATE/COUNTY SALES TAX	0.00
TOTAL	\$10,465.95

Donation:

"Neighbor to Neighbor" is a voluntary, tax-deductible program to help local human service agencies assist Kingman Families. If you wish to contribute to the "Emmanuel Christian Academy" please include your donation and record it on the space provided on the payment coupon.

CITY OF KINGMAN - 310 N. 4th STREET - KINGMAN, AZ 86401

ACCOUNT INFORMATION

Account Number 5746-39767
 Statement Date 10/08/2009
 Service Address FIRE HYDRANT 41685847
 Cycle 02-03
 Due Date 10/28/2009

ACCOUNT ACTIVITY (IN THOUSANDS)

Meter Number	Current Reading	Previous Reading	Usage
41685847	27777200	27695400	81.80
	Service Period		Days
	10/01/2009	10/07/2009	6

AMOUNT DUE

Previous Balance 12,098.96
 Payments -5,620.19
 Balance Forward 6,481.77
 Current Charges \$257.45
 Total Amount Due \$6,739.22

CURRENT CHARGES

WATER	0.00
SEWER	0.00
SANITATION	0.00
IRRIGATION	240.73
SPRINKLER	0.00
NEW SVC CHG OUTSIDE	15.50
WATER QUALITY TAX	0.00
CITY SALES TAX	0.31
STATE/COUNTY SALES TAX	0.91
TOTAL	\$257.45

YOUR MONTHLY USAGE (IN THOUSANDS)

Total

\$6,739.22

Donation

"Neighbor to Neighbor" is a voluntary, tax-deductible program to help local human service agencies assist Kingman Families. If you wish to contribute to the "Cornerstone Mission" please include your donation and record it on the space provided on the payment coupon.

CITY OF KINGMAN • 310 N. 4th STREET • KINGMAN, AZ 86401

Pd 3,000 10/29/09
 Pd 3,000 11/3/09
 Pd 257.45 11/6/09

6085

CITY OF KINGMAN - CWC
Date Type Reference
10/19/2009 Bill

Original Amt.
257.45

10/22/2009
Balance Due Discount
257.45
Check Amount

Payment
257.45
257.45

PAYMENT
RECORDED

MOHAVE STATE BA 5746-39767

257.45

860082 (1-08)

Donation:

"Neighbor to Neighbor" is a voluntary, tax-deductible program to help local human service agencies assist Kingman Families. If you wish to contribute to the "Cornerstone Mission" please include your donation and record it on the space provided on the payment coupon.

CITY OF KINGMAN - 310 N. 4th STREET - KINGMAN, AZ 86401

City of Kingman
 RECEIPT
 *** CUSTOMER RECEIPT ***
 Oper: LINDA Date: 10/29/09 01
 Type: 03 Drawer: 1
 Receipt no: 65127

Customer Location Name Amount
 5746 39767 NEAL, CLAUDE K
 UD WA UTILITY DEPOSIT \$3000.00

Tender detail
 NO MONEY ORDERS \$3000.00
 Total tendered \$3000.00
 Total payment \$3000.00

Trans date: 10/29/09 Time: 11:47:11

City of Kingman
 *** CUSTOMER RECEIPT ***
 Oper: LINDA Date: 11/03/09 01
 Type: 03 Drawer: 1
 Receipt no: 65127

Customer Location Name Amount
 5746 39767 NEAL, CLAUDE K
 UD WA UTILITY DEPOSIT \$3000.00

Tender detail
 NO MONEY ORDERS \$3000.00
 Total tendered \$3000.00
 Total payment \$3000.00

Trans date: 11/03/09 Time: 12:02:46